

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
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**FISCAL IMPACT STATEMENT**

**LS 7638**

**BILL NUMBER:** HB 1389

**DATE PREPARED:** Feb 8, 2001

**BILL AMENDED:** Feb 8, 2001

**SUBJECT:** Toll Road Revenues.

**FISCAL ANALYST:** James Sperlik

**PHONE NUMBER:** 232-9866

**FUNDS AFFECTED:**     **GENERAL**  
                          **X DEDICATED**  
                          **FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** (Amended) This bill requires the Toll Road Authority to use excess revenues for road and infrastructure projects in the counties through which the toll road passes. It specifies that the Authority's use of excess revenue to fund projects is subject to the trust indenture for bonds payable from the Authority's revenue. The bill requires the Authority to allocate money for the projects upon the basis that the population of each county bears to the total population of all the counties through which the Toll Road passes.

It requires the removal of at least 15 stop lights on U.S. Highway 31 between Interstate Highway 465 and the city limits of South Bend. The bill requires the Indiana Department of Transportation (INDOT) to forfeit \$1,000,000 for each violation of the requirement. It requires the Indiana Department of Transportation to transfer the forfeited money to the U.S. Highway 31 Upgrade Fund. The bill requires the Department to make the transfer within 30 days of the violation. It sets forth the criteria for determining whether a traffic signal should be installed on U.S. Highway 31 between Interstate Highway 465 and the city limits of South Bend.

**Effective Date:** July 1, 2001.

**Explanation of State Expenditures:** (Revised) Estimates of the excess revenues for the Toll Road are shown in the table, below, along with the estimated amount each county would have received had this provision been in effect for the last four fiscal years.

<u>County</u>	<u>1998 Est. Population</u>	<u>% of Pop.</u>	<u>1997 Est. Excess Rev.</u>	<u>1998 Est. Excess Rev.</u>	<u>1999 Est. Excess Rev.</u>	<u>2000 Est. Excess Rev.</u>
Lake	478,323	39.08	16,806,000	14,851,814	14,851,814	9,380,093
Porter	145,726	11.91	5,120,120	4,524,757	4,524,757	2,857,741
LaPorte	104,461	8.54	3,670,264	3,243,489	3,243,489	2,048,519
St. Joseph	258,088	21.09	9,067,988	8,013,570	8,013,570	5,061,202
Elkhart	172,310	14.08	6,054,156	5,350,184	5,350,184	3,379,064
La Grange	33,484	2.74	1,176,469	1,039,670	1,039,670	656,634
<u>Steuben</u>	<u>31,450</u>	<u>2.57</u>	<u>1,105,004</u>	<u>976,515</u>	<u>976,515</u>	<u>616,746</u>
Total	1,223,842	100.00	43,000,000	38,000,000	38,000,000	24,000,000

*Background:* Until 1998, Toll Road revenue in excess of operating costs and the major expense account (the capital budget account) were put into the Transportation Improvement Fund for projects that would benefit the Toll Road. Upon completion of a study of their long-term needs (which included improving some of its interchanges and adding lanes) and approval by the Indiana Department of Transportation and the Indiana Transportation Finance Authority, all excess revenue was put into a long term construction fund and a moratorium was put on Transportation Improvement Fund projects until the long-term capital needs were funded.

The amendment of 2/8/01 requires the INDOT to remove at least 15 stoplights from U.S. Highway 31 from the point where U.S. Highway 31 intersects with Interstate 465 in Hamilton county to the point where U.S. Highway 31 enters the city limits of South Bend in the safest manner possible. Six of the stoplights must be removed before January 1, 2002, and the remaining stoplights must be removed before July 1, 2002. The INDOT may not install a stoplight on U.S. Highway 31 as described above after June 30, 2001.

In addition, if there is a compelling need to cross U.S. Highway 31, the INDOT shall construct an overpass or underpass. The INDOT may barricade the intersecting road or street to prevent egress or ingress or install flashing lights at the intersection.

The cost to remove one stoplight is estimated at \$17,500. Based on this estimate, the total cost to remove the 15 stoplights required in this bill would be \$262,500. The fund affected is the State Highway Fund. The cost to construct one overpass or underpass is estimated at \$150,000.

The bill also provides for the INDOT to forfeit \$1 M for each violation of the bill's provisions. The money from any forfeiture is to be deposited in the U.S. Highway 31 Upgrade Fund for the purposes of converting U. S. Highway 31 to a limited access highway.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:** See Explanation of State Expenditures, above.

**State Agencies Affected:** Toll Road Commission; the Department of Transportation; Transportation Finance Authority.

**Local Agencies Affected:** Counties through which the Toll Road passes; counties through which U.S. Highway 31 passes from Hamilton county to St. Joseph county.

**Information Sources:** Rick Whitney, Controller and Deputy Commissioner of the Department of Transportation; Department of Transportation Annual Report.